

Members

Rep. Scott Reske, Chairperson
Rep. Vern Tincher
Rep. Rich McClain
Rep. Lawrence Buell
Sen. Thomas Wyss
Sen. Allen Paul
Sen. Richard D. Young
Sen. Timothy Skinner
John Dahman
Lt General Carol Mutter
David M. Lucas
Carol L. Riley



COMMISSION ON MILITARY AND VETERANS AFFAIRS

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MEETING MINUTES¹

Meeting Date: August 26, 2008
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington
St., Room 431
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Rep. Scott Reske, Chairperson; Rep. Vern Tincher; Rep. Rich McClain; Rep. Lawrence Buell; Sen. Thomas Wyss; Sen. Timothy Skinner; John Dahman; Lt General Carol Mutter; David M. Lucas; Carol L. Riley.

Members Absent: Sen. Allen Paul; Sen. Richard D. Young.

I. Call to Order and introduction of Members

Representative Reske, chairperson, called the meeting to order at 1:00 p.m. The members of the Military and Veterans' Affairs Commission (Commission) introduced themselves.

II. Tom Applegate, Director, Indiana Department of Veterans' Affairs (IDVA)

Representative Reske indicated that the purpose of having Mr. Applegate testify regarding the Military Family Relief Fund (MFRF) and the Veterans' Affairs Trust Fund (VATF) was to determine what may be done to improve the two funds.

Mr. Applegate began his testimony by introducing Steve Wise, Chairman, of the Veterans'

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Benefits Board (Board). He provided the Commission with a financial report and handouts relating to the Board.²

Mr. Applegate then summarized the Board's financial report for the period of July through August 2008.³ He stated that the MFRF has assets amounting to \$2,029,357. The MFRF has accrued \$112,500 in state matching funds and has awarded \$31,897.13 in grants. Mr. Applegate stated that the MFRF processed 105 applications for fiscal year 2008.

Mr. Applegate explained that amendments to IC 10-17-12-8(c) in 2007 created some confusion as to whether the Board or the IDVA would administer the MFRF. In 2007, IC 10-17-12-8(c) was amended by both Senate Bill 480 and Senate Bill 1092. Senate Bill 480 provided that the MFRF was administered by the Board and Senate Bill 1092 provided that the MFRF was administered by the Director of Veterans' Affairs.⁴ Mr. Applegate indicated that a Memorandum of Understanding was created after these changes to allow the Board to administer the MFRF. He then indicated that IC 10-17-12-8(c) was subsequently amended in 2008 by Senate Bill 1137 to provide that the Board was required to administer the MFRF. Mr. Wise and Mr. Applegate both agreed that the MFRF should be administered by the Board. Representative Reske requested that the Legislative Services Agency provide a brief history of legislative changes made to IC 10-17-12-8(c) at the Commission's next meeting.

Mr. Applegate then explained that the financial report does not include the VATF because a source of funding does not exist. Representative Reske responded that MFRF was established to provide immediate assistance to service members and their families resulting from the current military conflict. The VATF was established to assist service members in the long term. He stated that the intent of the legislation establishing the VATF was to allow the Board to transfer money between the MFRF and the VATF.

Mr. Applegate then suggested the following sources of funding for the VATF:

1. Provide the Board with discretion as to which fund receives proceeds from the sale of "Support Our Troops" and "Hoosier Veteran" license plates.
2. Use the funds from the sale of the "Support Our Troops" license plates to fund the MFRF and use the funds from the sale of the "Hoosier Veteran" license plates to fund the VATF.
3. Use funds from the sale of the "Support Our Troops" license plates to fund the MFRF and use the funds from the sale of the "Hoosier Veteran" license plates to fund either fund as necessary.
4. Use the funds from the sale of both license plates to fund the MFRF and authorize a "Veteran" lottery ticket to fund the VATF.

Senator Wyss expressed the need for strong guidelines to determine what grants should be approved when an applicant applies for the MFRF or the VATF because of the limited amount of money available.

Representative Reske acknowledged that there is a need to clarify that the Board may authorize the transfer of funds between the MFRF and the VATF. He also addressed the

² See Exhibits A-C.

³ See Exhibit A.

⁴ See Exhibit B.

need to strengthen the language explaining the purpose of each fund.

Representative Reske then recognized Representative Tincher who questioned why only 105 applications were received in fiscal year 2008. He then inquired whether the requirements were too stringent or whether there was a problem getting the word out regarding the availability of the MFRF. Representative Tincher expressed his concern that the money in the fund was not being made available to service members and their families. Steve Wise responded that once the fund became operational in 2007, the intent was to aggressively put out information regarding the availability of the MFRF. He stated that the number of grants continues to increase.

Representative Tincher asked how much money is going into the MFRF annually. Mr. Applegate responded that \$450,000 is received as state matching funds. In addition, the fund received \$317,200 from the "Support Our Troops" license plates and \$508,710 from the "Hoosier Veterans" license plates.

Representative Reske inquired as to whether there would be a surge of applications when service members return home from their deployments. Mr. Applegate stated that most requests for assistance come while the service member is deployed.

Senator Wyss expressed explained that the fund should not be used to duplicate assistance that may be received from other agencies.

III. Other Business

Representative Reske recognized Colonel Joe Ryan, representing the Military Officers Association of America. Colonel Ryan requested that active duty service members be allowed to receive benefits associated with the MFRF. He also stated that either the MFRF or the VATF could be funded by proceeds from a special Indiana veterans' lottery ticket. Colonel Ryan then indicated that taxpayers should also be allowed to allocate a portion of their tax refund to the MFRF or VATF on their Indiana individual tax return.

Representative Reske then asked the Commission members whether Indiana should create a "one stop shop" for returning service members. The program would offer counseling and other assistance for service members when they return from deployment. Lt. Gen. Mutter indicated that there was a similar program called Military One Source offered by the National Guard. Representative Reske asked how long the program was available to a service member after the member returns home. Mr. Applegate responded that the program was available for five years after the service member's end of deployment.

IV. Selection of Next Meeting Date

The Commission agreed to schedule its next meeting on September 12, 2008 at 1:00 p.m.

V. Adjournment

Representative Reske adjourned the meeting at approximately 2:10 p.m.